(DTAC), income from capital gains on sale/purchase of shares is taxable in the country of residence of the investor and this benefit is available to residents of both the countries. As such, benefits availed by residents of Mauritius under the Treaty do not amount to denial of legitimate revenue to India.

(c) and (d) No, Sir. However steps have already been taken to ensure effective exchange of information to prevent abuse of Indo-Mauritius DTAC.

Misappropriation of funds for population control

† 45. SHRIMATI SAVITA SHARDA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether Government are aware that the financial assistance provided by Government to States for population control is being misappropriated;

(b) if so, the details thereof;

(c) whether Government propose to take any action against such States; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) The Ministry of Health and Family Welfare provides financial assistance to the State Governments for Population Control. Ministry of Finance provides Central assistance to State Governments under State Plan. For propriety of utilization of the financial assistance, the State Governments are responsible to their respective State Legislatures.

(b) to (d) does not arise.

Seizure of heroin in Madurai

46. DR. AKHILESH DAS: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

† Original notice of the question was received in Hindi.

(a) whether heroin weighing 7.5 kg worth Rs. 7.5 crores in international market was seized from a hotel in Madurai, on January 7, if so, the details of the persons apprehended in connection therewith;

(b) the number and details of seizures of heroin and other narcotics, made during 2000-2001, 2001-2002, and the current year and the gangs, if any, found engaged in drug peddling; and

(c) the effective steps taken to prevent drug peddling and channelising drug-funds for terrorist and other criminal and illegal activities?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN): (a) Officers of the Narcotics Control Bureau seized 7.4 kgs of heroin from the car parking area of Hotel Tamil Nadu at Alagar Kail Road, Madurai, Tamil Nadu on 04.01.2003 [and not on 07.01.2003]. Five persons were arrested in this case.

(b) The number and details of seizures of heroin and other narcotics made during 2000-2001,2001 -2002 and 2002-03 [upto January 2003] as reported by various Drug Law Enforcement Agencies, are given in the enclosed Statement *{See* below). No gang was found to be engaged in drug peddling during the above mentioned period.

(c) To deal with drug peddling and channelising drug-funds for terrorist and other criminal and illegal activities, the Government has taken a number of steps. These include instructions to-all drug enforcement agencies to maintain utmost vigil and step up enforcement efforts, periodical training of the enforcement officers to upgrade their skills, close interaction between the agencies of the Central and State Governments and quarterly co-ordination meetings for this purpose by the Narcotics Control Bureau, neutralizing organised drug traffickers through coordinated action, modernization and upgradation of the police and security forces with advanced weapons, empowerment of a number of Central and State Agencies under the Narcotic Drugs and Psychotropic Substances Act to ensure its effective implementation and a liberal reward schemes for informers.

Statement

Number and details of seizures of heroin and other narcotics made during 2000-2001, 2001-2002 and 2002-2003 [Upto December, 2002] as reported by various Drug Law Enforcement Agencies

Year 2000-01

Drugs	No. of Cases	Qty. in Kgs.
Opium	1259	2888
Morphine	142	39
Heroin	2737	1143
Ganja	5763	99652
Hashish	2044	4841
Cocaine	6	0.350
Methaqualone	33	2539

Year 2001-02

Drugs	No. of Cases	Qty. in Kgs.
Opium	1230	2357
Morphine	149	28
Heroin	4401	827
Ganja	8057	86974
Hashish	2450	6497
Cocaine	10	2
Methaqualone	6	580

Year 2002-03
[upto January, 2003]

Drugs	No. of Cases	Qty. in Kgs.
Opium	1195	1703
Morphine	95	55
Heroin	3990	881
Ganja	3340	78464
Hashish	1895	2678
Cocaine	-	-
Methaqualone	7	11130

Number of persons arrested in drug cases

Year	Persons
2000-2001	15796
2001-2002	17631
2002-2003 [Upto January]	9095

Reduction in interest rates on deposits

47. DR. AKHILESH DAS: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the State Bank of India and other nationalized banks have lately been considering further reduction in interest rates on deposits;

(b) if so, the reasons therefor; and

(c) the decision, if any, taken in the matter?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI ANANDRAO VITHOBA ADSUL): (a) to (c) Interest rates on all term deposits have been deregulated since October 1997. Banks are free to offer interest rates on all term deposits at fixed or floating rates subject to approval of their Boards. Therefore, interest rates on term deposits may change from time to time depending upon the decisions of their Boards.

Regulatory authority for cooperative banks

48. SHRI R.P. GOENKA: Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

(a) whether the Reserve Bank of India has suggested setting up of a separate regulatory authority for the co-operative banks;

(b) if so, what are the details thereof and the action taken/ proposed to be taken together with its present status; and

(c) the details of views expressed by various State Governments on the proposal?